

# RISKCHECK

November 2022

## LATEST NEWS ON OPERATIONAL RISK

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# OPERATIONAL RISK NEWS

## Credit Suisse outlines Saudi-backed plan to raise \$4bn

October 27<sup>th</sup>, 2022 – Swiss bank Credit Suisse has announced plans to raise billions in new capital, slash 9,000 jobs and revamp its investment banking unit, in the latest effort to turn the group's fortunes around.

## Currency Depreciations Risk Intensifying Food, Energy Crisis in Developing Economies

October 26<sup>th</sup>, 2022 – The shrinking value of the currencies of most developing economies is driving up food and fuel prices in ways that could deepen the food and energy crises that many of them already face, according to the World Bank's latest Commodity Markets Outlook report.

## Bank reveals top scam, launches free app to protect residents from cybercrimes

October 09<sup>th</sup>, 2022 - A new free anti-fraud and cyber app will create awareness among the UAE and regional residents against cyberattacks and how to protect themselves.

## Abu Dhabi court confiscates \$10.6 million in money laundering, forgery crackdown

October 24<sup>th</sup>, 2022 - Font Size  
Abu Dhabi's Federal Criminal Appeal Court confiscated funds worth over \$10.6 million (AED 39 million) from two companies owned by a defendant on charges of sanctions evasion, forgery, and money laundering.

## UAE seizes \$1.29bn in assets in fight against money laundering and terrorism financing

October 07<sup>th</sup>, 2022- The UAE has seized assets worth more than Dh4.73 billion (\$1.29bn) in the 12 months.

## Anti-Cybercrime Department warns against fraudulent calls

October 12<sup>th</sup>, 2022 - The Anti-Cybercrime Department of the General Department of Anti-Corruption and Economic and Electronic Security has warned of fraudulent calls, asking citizens to provide them with a one-time password (OTP) for the purpose of fraud and theft of bank information.

## Businessmen jailed in Dubai face new Bahrain fraud trial

October 12<sup>th</sup>, 2022 - Iran's central bank was among the official institutions targeted as protests continue over the death of Mahsa Amini, who died in policy custody after being detained for wearing her hijab too loosely.

## UK funding Bahrain organizations accused of torture

October 10<sup>th</sup>, 2022 - The UK government has provided millions in funding to security services in Bahrain accused of serious human rights abuses including torture, according to a new report.

## Saudi bourse falls on poor earnings, volatile oil; Abu Dhabi up

October 26<sup>th</sup>, 2022 - Saudi Arabian shares ended lower on Wednesday following a slew of disappointing corporate results, with uncertainty around energy markets weighing on investor sentiment.

## Inflation hits new record in Europe, slowing economy

October 31<sup>st</sup>, 2022 - Inflation hit a new record in the 19 countries that use the euro currency, fueled by out-of-control prices for natural gas and electricity due to Russia's war in Ukraine. Economic growth also slowed ahead of what economists fear is a looming recession, largely as a result of those higher prices sapping Europeans' ability to spend.

# OPERATIONAL RISK NEWS

## New report finds Saudi banks fail to meet customer expectations of digital experience

October 10<sup>th</sup>, 2022 - Saudi Arabia's digital services market has long been lauded as the largest in the MENA region, with annual spend on digital transformation reaching SR12 billion (\$3.19 billion) a year. For Saudi banking customers, however, the digital experience still leaves much to be desired.

## Risk of default spikes to 13-year high of 52.8%

October 26<sup>th</sup>, 2022- Pakistan's risk of default, measured by the 5-year credit default swap (CDS), on Tuesday spiked by 3.07 percentage points in a day and hit a 13-year high at 52.8%, suggesting foreign investors had lost their faith in the country.

## Pakistan removed from global 'terrorism' financing list

October 21<sup>st</sup>, 2022- The global money laundering and financing watchdog on Friday removed Pakistan from its list of countries under "increased monitoring" after four years.

## Pakistan keeps policy rate at 15%, projects high inflation, weak growth

October 10<sup>th</sup>, 2022- Pakistan's central bank kept its key policy rate unchanged at 15% on Monday, days after the South Asian country's credit rating was downgraded in the face of an economic meltdown exacerbated by devastating floods.

## Pakistani banks routinely indicted for money laundering and terror financing

October 05<sup>th</sup>, 2022 –Recently Habib Bank Limited (HBL), Pakistan's largest private sector bank with international branches, faced allegations of helping global terror organization Al-Qaeda, leading to deaths and injuries to hundreds of people in Afghanistan.

## Robberies at ATM machines denting people confidence in bank

October 05<sup>th</sup>, 2022 – A three-member bench headed by Justice Ijazul Ahsan rejected bail of an accused Tauseef Abbas for stealing money from an ATM machine. The Supreme Court directed the Federal Investigation Agency (FIA) to investigate this matter in-depth. FIA had caught accused Tauseef Abbas while stealing money from an ATM machine.

## Bank employees found conniving with robbers' gang

October 15<sup>th</sup>, 2022- The Crime Investigation Agency (CIA) of the Lahore police has reportedly busted a big racket of the criminals and bank employees who used to leak confidential details of the accounts the bank clients to a robbers' gang.

## Bank of England warns risk of UK financial crisis hasn't gone away

October 11<sup>th</sup>, 2022- The central bank warned Tuesday that there was still a "material risk to UK financial stability" from a sharp-sell off in government bonds that has sent yields soaring, pushing up borrowing costs across the economy and forcing some pension funds to dump assets to raise cash.

## Fed on track for tens of billions in losses amid inflation fight

October 28<sup>th</sup>, 2022- The Federal Reserve's aggressive campaign to rein in inflation leaves it on track for tens of billions, if not more, in losses over the next few years, central bank experts say.

## Danske Bank Expects \$2.1 Billion Settlement of Money-Laundering Probe

October 27<sup>th</sup>, 2022 - Denmark's largest bank, said it expects to pay the equivalent of \$2.1 billion to settle a money-laundering probe by U.S. and Danish authorities, closing a chapter that has dragged on for years.

# OPERATIONAL RISK NEWS

## Recession Fears Hit Risky Mortgage Debt Amid Default Concerns

October 19<sup>th</sup>, 2022 - Investors are unloading securities sold by Fannie Mae FNMA 3.09%increase; green up pointing triangle and Freddie Mac FMCC 1.41%increase; green up pointing triangle that shift the risk of mortgage defaults away from taxpayers, a sign of growing concern about defaults if rising interest rates cause a severe recession.

## MasterCard Launches Crypto Program for Banks, FinTech

October 17<sup>th</sup>, 2022- MasterCard has unveiled a new program to help banks and fintech firms offer crypto trading and other services to their customers.

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## RISKCHECK

RiskCheck Operational Risk newsletter is published monthly. It keeps you abreast with the latest news, events and external risk exposures which could potentially impact your organization. Both national as well as international potentially high risk events are covered in this newsletter.

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